THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) to (c) Government has conveyed "in principle" approval to the Public Sector Oil Marketing Companies (OMCs) for expanding the product line by way of introduction of composite cylinders for marketing domestic LPG, subject to there being no subsidy element in the LPG to be marketed through these composite cylinders. To start with, Indian Oil Corporation Limited (IOC) along with Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) intend to import some cylinders and do test marketing in selected cities.

(d) and (e) OMCs are procuring LPG cylinders from cylinder manufacturers who have valid manufacturing licences from the Bureau of Indian Standards (BIS) and the Chief Controller of Explosives (CCOE). LPG cylinders procured by OMC meet the required quality standards.

OMCs have reported that necessary approval of CCOE has been obtained for use of composite cylinders for LPG CCOE has also granted approval to M/s Ragaco AS, Norway for their composite cylinders.

Permission of break from drilling activities

581. SHRI GREESH KUMAR SANGHI: : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that oil industry's exploration and production companies have been urging Government to grant a three year break from drilling eseploratory wells,

(b) if so, whether any penalties have been imposed on such companies as they are failing short of the work target promised to Government; and

(c) whether grant sought for three year break may not result in substantial decrease in crude oil and gas production as even now we are importing about 40 per cent of our requirements of petroleum products?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSH A. J. PATEL): (a) Yes, Sir. A few E&P companies have approached Government seeking a drilling moratorium for a period of about three years for deepwater areas in view of global shortage of deepwater rigs.

(b) As per Production Sharing Contracts (PSCs) contractors are required to complete Minimum Work Programme (MWP) within a given period in an exploration Phase. As the issue of moratorium is under consideration, amounts in lieu of unfinished work programme have not been imposed as yet.

(c) Till date, Government has not approved any such break.

Price fixation of LPG

†582. DR. MURLI MANOHAR JOSHI:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that some formula has been made to fix the consumer sale price of LPG in the country;

†Original notice of the question was received in Hindi.